

**ALS Limited**

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21 June 2023

Dear Shareholder,

**ANNUAL GENERAL MEETING 2023**

I am pleased to invite you to attend the 2023 Annual General Meeting of ALS Limited which will be held at **10.00am (AEST) on Wednesday, 26 July 2023**. The Meeting will be held as a hybrid meeting comprising a virtual meeting through the Lumi AGM software platform as well as an in-person meeting.

**Notice of Meeting**

The meeting will cover the ordinary business transacted annually and any other business which may be brought before the Meeting in accordance with the Company's Constitution.

Shareholders will be asked to support several resolutions being put at the meeting, namely the re-election of Leslie Desjardins and John Mulcahy and the election of Peter Possemiers and Nigel Garrard for three-year terms, adoption of the remuneration report, grant of performance rights to the Managing Director and CEO, Malcolm Deane, and amendments to the Constitution.

Further information on these resolutions can be found in the Explanatory Notes section of the Notice of Meeting which may be viewed online and downloaded from the ALS website at [www.alsglobal.com](http://www.alsglobal.com).

This year we will not be mailing you a hard copy of the Notice of Meeting ahead of the AGM unless you made an election before the dispatch date. A printed Proxy Form accompanies this letter together with a reply-paid envelope for your use.

**Participation at the AGM**

You will be able to attend the meeting in person at The Westin 111 Mary Street, Brisbane, Queensland 4000.

Your participation in the Meeting online is also welcomed by Directors as it enables all Shareholders to view the Meeting live, ask questions and cast votes in the real time poll at the appropriate time during the Meeting. Shareholders should refer to the Notice of Meeting for more information.

Shareholders can watch and participate in the Meeting using the online platform at <http://web.lumiagm.com> through a computer or mobile device. The ID number for the Meeting is: 351-593-782.

**Voting at the AGM**

You can vote at the AGM by attending in person and casting your vote, or via the on-line Lumi platform on the day of the meeting. Details on how to do this are set out in the Notice of Meeting.

If you are unable to participate at the meeting, a proxy voting form is enclosed for your use. Online proxies and proxy voting forms must be received **no later than 10.00am AEST on Monday 24 July 2023**.

Voting on all resolutions will be available during the meeting. Results of all resolutions will be published on the ASX shortly thereafter.



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I look forward to your participation at the AGM.

Yours sincerely,

**Bruce J Phillips**  
Chairman

# Notice of Annual General Meeting 2023

The 72nd annual general meeting of the shareholders of ALS Limited (**Company** or **ALS**) will be held at **The Westin, 111 Mary Street, Brisbane, Qld 4000** and online at [www.lumiagm.com](http://www.lumiagm.com) with meeting ID 319 850 190 at **10.00am (AEST) on Wednesday, 26 July 2023 (Meeting)**.

The Meeting will be held as a hybrid meeting, comprising an in-person meeting with a virtual meeting option via the Lumi AGM software platform for shareholders who would prefer to participate online.

Shareholders can watch and participate in the Meeting via the online platform by using:

- **Computer**, by entering the following URL in your browser: <https://web.lumiagm.com>
- **Mobile device or tablet**, by entering the following URL in your browser: <https://web.lumiagm.com>

The meeting ID for the Meeting is: 319 850 190

Your **username** is your Boardroom Voting Access Code (which can be located on the back of your Proxy Form or on your notice of Meeting email).

Your **password** is your postcode registered on your holding if you are an Australian shareholder. Overseas shareholders should refer to the Online Voting User Guide.

If you have been nominated as a third party proxy, or for any enquiries relating to virtual participation in the Meeting, please contact the Company's share registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia).

Shareholders will be able to log in to the online platform from 9.00am (AEST) on the date of the Meeting.

Only shareholders or their appointed proxies, attorneys and corporate representatives will be allowed to ask questions in person and online.

Further information on the business to be considered at the Meeting is set out in this notice of Meeting (**Notice of Meeting**).

## BUSINESS OF THE MEETING

### 1. Presentations by the Company's Chairman and the Managing Director and CEO.

### 2. Election / re-election of Directors

- To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Leslie Desjardins, a non-executive director of the Company (**Director**) retiring in accordance with clause 63.4 of the constitution of the Company (**Constitution**) and ASX Listing Rule 14.4, who offers herself for re-election and being eligible for re-election, be re-elected as a non-executive Director."*

- To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That John Mulcahy, a non-executive Director retiring in accordance with clause 63.4 of the Constitution and ASX Listing Rule 14.4, who offers himself for re-election and being eligible for re-election, be re-elected as a non-executive Director."*

- To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Peter Possemiers, a non-executive Director retiring in accordance with clause 61.2 of the Constitution and ASX Listing Rule 14.4, who offers himself for election*



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*and being eligible for election, be elected as a non-executive Director."*

- iv. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Nigel Garrard, a non-executive Director retiring in accordance with clause 61.2 of the Constitution and ASX Listing Rule 14.4, who offers himself for election and being eligible for election, be elected as a non-executive Director."*

### 3. Remuneration Report

To consider and, if thought fit, to pass the following resolution under section 250R(2) of the Corporations Act 2001 (Cth)

**(Corporations Act):**

*"That the remuneration report contained in the Company's 2023 annual report in respect of the financial year ended 31 March 2023 (**Remuneration Report**) be adopted."*

(This resolution is advisory only and does not bind the Directors or the Company)

(Refer to the explanatory notes forming part of this Notice of Meeting (**Explanatory Notes**) for voting restrictions applying to this resolution)

### 4. Amendments to the Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

*"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the Constitution be amended in the manner set out in the Explanatory Notes, effective on the day on which this resolution is passed."*

(This special resolution must be passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution)

### 5. Grant of 2022 Performance Rights to Malcolm Deane

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, shareholders approve the grant of 15,493 performance rights in the Company (**Performance Rights**), incorporating the right to acquire an equivalent number of fully paid ordinary shares in the Company (**Shares**), to Malcolm Deane under the Company's*

*2022 long-term incentive plan (**2022 LTI Plan**), which is constituted and administered in accordance with the rules of the 2022 LTI Plan, as described in the Explanatory Notes."*

(Refer to the Explanatory Notes for voting restrictions applying to this resolution)

### 6. Grant of 2023 Performance Rights to Malcolm Deane

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, shareholders approve the grant of 176,270 Performance Rights, incorporating the right to acquire an equivalent number of Shares, to Malcolm Deane under the Company's 2023 long-term incentive plan (**2023 LTI Plan**), which is constituted and administered in accordance with the rules of the 2023 LTI Plan, as described in the Explanatory Notes."*

(Refer to the Explanatory Notes for voting restrictions applying to this resolution)

### 7. Approval of financial assistance

To consider and, if thought fit, to pass the following resolution as a special resolution:

*"That, for the purposes of section 260B(2) of the Corporations Act and for all other purposes, shareholders approve the giving of financial assistance by HRL Holdings Limited ACN 120 896 371 (**HRL Holdings**) and each Australian subsidiary of HRL Holdings to assist the Company's acquisition of HRL Holdings, and all elements of that transaction and any other transactions that may constitute financial assistance in connection with the Company's acquisition of HRL Holdings, as described in the Explanatory Notes."*

(This special resolution must be passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution)

### 8. Financial statements and reports

To receive and consider the financial report of the Company and the reports of the Directors and the Company's external auditor (**Auditor**) in respect of the financial year ended 31 March 2023.

## OTHER BUSINESS

To transact any other business which may legally be brought before the Meeting in accordance with the Constitution.

The Explanatory Notes are incorporated into and form part of this Notice of Meeting. A detailed explanation of the background and reasons for the proposed resolutions are set out in the Explanatory Notes.

By order of the Company's board of directors  
**(Board)**

Michael Pearson  
Company Secretary  
21 June 2023

## EXPLANATORY NOTES

The Explanatory Notes (including the Schedule) have been prepared to provide information to shareholders about the items of business set out in this Notice of Meeting, and form part of this Notice of Meeting.

### Item 2 - Election / re-election of Directors (resolutions 1, 2, 3 and 4)

Clause 63.4 of the Constitution and ASX Listing Rule 14.4 require that a Director retire from office at the conclusion of the third annual general meeting after the Director was last elected or re-elected as a Director. Clause 61.2 of the Constitution and ASX Listing Rule 14.4 also require that any Director who has been appointed to fill a casual vacancy or as an addition to the existing Directors retire from office at the conclusion of the next annual general meeting. Any such Director is, however, eligible for election or re-election (as the case may be) at the relevant annual general meeting.

At the Meeting, Leslie Desjardins, having held office as a non-executive Director for a continuous period of approximately three years since her election at the Company's 2020 annual general meeting, retires in accordance with clause 63.4 of the Constitution and ASX Listing Rule 14.4 and, being eligible, offers herself for re-election as a non-executive Director.

At the Meeting, John Mulcahy, having held office as a non-executive Director for a continuous period of approximately three years since his re-election at the Company's 2020 annual general meeting, retires in accordance with clause 63.4 of the Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election as a non-executive Director.

At the Meeting, Peter Possemiers, who was appointed as an addition to the existing Directors on 1 November 2022, retires in accordance with clause 61.2 of the Constitution and ASX Listing Rule

14.4 and, being eligible, offers himself for election as a non-executive Director.

At the Meeting, Nigel Garrard, who was appointed as an addition to the existing Directors on 7 June 2023, retires in accordance with clause 61.2 of the Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for election as a non-executive Director.

The Nominations Committee and the Board have reviewed the performance of each of Leslie Desjardins, John Mulcahy and Peter Possemiers and are satisfied that they continue to bring valuable expertise and experience to the Board. The Nominations Committee and the Board also support Nigel Garrard's election as a non-executive Director following his recent appointment to the Board on 7 June 2023.

Having assessed the factors relevant to determining Director independence under Recommendation 2.3 of the ASX Corporate Governance Council Corporate Governance Principles and Recommendations, 4th edition, subject to approval of resolutions 1, 2, 3 and 4, the Board considers each of Leslie Desjardins, John Mulcahy, Peter Possemiers and Nigel Garrard to be an independent Director.

Their respective details are as follows:

#### **LESLIE DESJARDINS (resolution 1)**



**Bachelor Industrial Admin, Finance (Kettering), Masters of Science, Business (MIT)**

**Independent non-executive Director; Age 63**

Leslie Desjardins was appointed a non-executive Director on 21 November 2019. She has a background as a CFO and senior financial and governance professional in a range of large multinational and global businesses.

She has extensive commercial and financial governance expertise with large multinational public companies in North America, Canada and Australia each with extensive global operations. Her areas of expertise include CFO level executive and financial strategic leadership, M&A, corporate finance and treasury, governance, financial and tax compliance and enterprise risk management.

Leslie Desjardins is currently a director, Audit Committee Chair, Human Resource Committee member with Ansell Limited. Previously, she served

as a director and Audit Committee member with AptarGroup.

During her executive career, she served as Executive VP and CFO at Amcor Limited, a global leader in packaging of food, beverage, pharmaceutical and tobacco products. Prior to Amcor Ltd, she served in financial and corporate strategic positions with General Motors Corporation, including Chief Financial Officer GM Holden Australia, Contoller GM North America, Executive Director Manufacturing Finance and Director GM North America Strategy and Planning.

Leslie Desjardins holds a Master of Science, Business with Massachusetts Institute of Technology, Sloan and a Bachelor of Industrial Administration, Finance with Kettering University.

She is the Chair of the Audit and Risk Committee and a member of the Nomination Committee.

### **Recommendation**

*Having received an acknowledgement from Leslie Desjardins that she has sufficient time available to carry out the duties of a Director, and the mix of skills and experience required by the Board, the Directors (other than Leslie Desjardins who is seeking re-election under resolution 1) recommend you vote in favour of the re-election of Leslie Desjardins as a non-executive Director.*

*The Chair of the Meeting intends to vote all 'open' proxies in favour of resolution 1.*

### **JOHN MULCAHY (resolution 2)**



**PhD, B E (Civil Eng) (Hons), FIE Aust**

**Independent non-executive Director; Age 73**

John Mulcahy was appointed a non-executive Director on 1 February 2012.

John Mulcahy is Chairman of Orix Australia Corporation Limited, an unlisted public company (appointed in March 2016), and Deputy Chairman of GWA Group Limited (appointed in November 2010). He is also a current non-executive director of various Zurich Australia Insurance subsidiaries. John Mulcahy was previously a director and Chairman of Mirvac Group Limited (appointed as a director in November 2009 and as Chairman in September 2013 until December 2022) and Coffey International Limited (from September 2009 to January 2016). He is a former Guardian of the Future Fund of Australia and former Managing

Director and Chief Executive Officer of Suncorp-Metway Limited. Prior to Suncorp-Metway Limited, he held a number of senior executive roles at the Commonwealth Bank and Lend Lease Corporation.

The Board considers John Mulcahy to be independent despite him having been a non-executive Director since 2012. The Board considers that Mr Mulcahy's independence from management and substantial holders has not been compromised and that he remains able to bring independent judgement to bear on issues before the Board and to act in the best interests of the Company.

John Mulcahy is a member of the People Committee, the Audit and Risk Committee, and the Nomination Committee.

### **Recommendation**

*In light of the Board's determination of John Mulcahy's independence and him having the mix of skills, experience and corporate knowledge required by the Board, and having received an acknowledgement from him that he has sufficient time available to assist in the ongoing Board renewal and the transition of the Managing Director, and to carry out the duties of a Director, the Directors (other than John Mulcahy who is seeking re-election under resolution 2) recommend you vote in favour of the re-election of John Mulcahy as a non-executive Director.*

*The Chair of the Meeting intends to vote all 'open' proxies in favour of resolution 2.*

### **PETER POSSEMIERS (resolution 3)**



**Bachelor of Applied Science (B.A.Sc.) in Chemistry and Microbiology**

**Independent non-executive Director; Age 61**

Peter Possemiers was appointed a non-executive Director on 1 November 2022.

Peter Possemiers is a testing, inspection and certification (**TIC**) sector expert with 40 years' experience as a senior executive in leadership roles globally. During his 40-year career in the TIC sector, he has managed businesses across different continents and cultures, having held leadership roles in food, pharma, environment, health and safety, and oil and gas.

Peter Possemiers joined SGS in May 1983. As executive vice president, he was a member of the

SGS operations council with responsibility for the strategic growth and profitability of the business and in leading 15 strategic acquisitions. In 2007, he was promoted to a role in Europe to manage downstream oil, gas and chemicals business becoming the market leader in this sector. In 2013, he was promoted to executive vice president of global environment, health and safety, a position based in Switzerland, which he held for eight years before becoming vice president of strategic integration from January 2021 to November 2022.

Peter Possemiers' recent appointment as a non-executive Director reinforces the Board's focus on the governance of its increasingly complex global operations and its strategic international expansion plans.

#### **Recommendation**

*Having received an acknowledgement from Peter Possemiers that he has sufficient time available to carry out the duties of a Director, and the mix of skills and experience required by the Board, the Directors (other than Peter Possemiers who is seeking election under resolution 3) recommend you vote in favour of the election of Peter Possemiers as a non-executive Director.*

*The Chair of the Meeting intends to vote all 'open' proxies in favour of resolution 3.*

#### **NIGEL GARRARD (resolution 4)**



**Bachelor of Economics (Adelaide), CA (Chartered Accountant)**

**Independent non-executive Director; Age 62**

Nigel Garrard was appointed a non-executive Director on 7 June 2023.

Nigel Garrard is an experienced executive with a successful track record across the fast-moving consumer goods and industrial/manufacturing sectors. He has over 20 years' experience as an ASX-listed CEO across three companies. In 2019, he retired as Managing Director and CEO of Orora Limited. Nigel Garrard led the demerger of Orora Limited from Amcor, and the subsequent listing of Orora Limited on ASX in 2013. He was President of the Amcor Australasia and Packaging Distribution business group, Managing Director of Coca-Cola Amatil's Food and Services Division, and Managing Director of SPC Ardmona.

Nigel Garrard brings broad international experience across listed, not-for-profit,

government and private entities. He is currently a non-executive director of Ansell Limited, a non-executive director of CSR Ltd, Chairman of Flinders Port Holdings Pty. Ltd., and Chairman of the McMahon Services advisory board.

#### **Recommendation**

*Having received an acknowledgement from Nigel Garrard that he has sufficient time available to carry out the duties of a Director, and the mix of skills and experience required by the Board, the Directors (other than Nigel Garrard who is seeking election under resolution 4) recommend you vote in favour of the election of Nigel Garrard as a non-executive Director.*

*The Chair of the Meeting intends to vote all 'open' proxies in favour of resolution 4.*

#### **Item 3 - Remuneration Report (resolution 5)**

Section 250R(2) of the Corporations Act requires a listed company to put to its shareholders a resolution to adopt its remuneration report (in the Company's case, the Remuneration Report as set out on pages 38 to 67 of the Company's 2023 annual report).

The Remuneration Report sets out the Board's policies for Director and executive remuneration, including discussion of the relationship of remuneration to the Company's performance and other information required by the Corporations Act.

#### **Recommendation**

*The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to resolution 5.*

*The Chair of the Meeting intends to vote all 'open' proxies in favour of resolution 5 (where the Chair of the Meeting has been appropriately authorised to do so).*

#### **Item 4 - Amendments to the Constitution (resolution 6)**

Under section 136(2) of the Corporations Act, a company can modify or repeal its constitution or a provision of its constitution by special resolution of its shareholders. A special resolution is a resolution passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution.

This special resolution to amend the Constitution is proposed to ensure that the Company can convene a physical general meeting that is linked to one or more separate meeting places, or a virtual general meeting, using technology, and to increase the maximum permitted number of Directors.

A copy of the Constitution showing the proposed amendments is available on the Company's website at [www.alsglobal.com](http://www.alsglobal.com) under the Corporate Governance Section. Alternatively, a printed copy of the Constitution showing the

proposed amendments can also be obtained by contacting Michael Pearson (Company Secretary) on +61 7 3367 7900 during business hours.

The Constitution contemplates that any general meeting will be held at a physical meeting place, with the potential to link one or more venues using any technology that gives the shareholders as a whole a reasonable opportunity to participate, but does not contemplate the holding of a general meeting virtually using one or more instantaneous audio-visual communication devices or audio and visual or virtual communication technology.

During the course of the COVID-19 pandemic, the Company took advantage of various legislative and other measures (including the no action position of the Australian Securities and Investments Commission (**ASIC**)) to allow companies to hold general meetings virtually using technology. Such measures were, however, temporary. The proposed amendments to the Constitution will enable the Company to continue to hold general meetings using technology, either physical, hybrid, or virtual.

In particular, the proposed amendments to the Constitution have the effect of:

- (a) confirming the ability of the Company to hold a physical general meeting that is linked to one or more other separate meeting places by one or more instantaneous audio-visual communication devices which, amongst other things, give the general body of shareholders in the separate meeting place(s) a reasonable opportunity to participate;
- (b) unless the law requires otherwise, enabling the Company to hold a virtual general meeting without there being a physical meeting place by using any technology, including by one or more instantaneous audio-visual communication devices or audio and visual or virtual communication technology, on the basis that, amongst other things, the shareholders participating are given a reasonable opportunity to participate;
- (c) if a physical general meeting is to be held and linked to one or more separate meeting places by technology, or a virtual general meeting is to be held, requiring that the relevant notice of meeting includes details of the technology that will be used to facilitate the holding of the relevant general meeting in that manner;
- (d) deeming a person (including a shareholder) to be present at or attending a general meeting where a person (including a shareholder) is present or attending in person, using any technology (including via one or more instantaneous audio-visual

communication devices or audio and visual or virtual communication technology), or by proxy, attorney or corporate representative; and

- (e) permitting a notice of general meeting and instrument of proxy to be provided to shareholders using one or more technologies to communicate the contents, or using one or more technologies to communicate details of an online location where they can be viewed or downloaded.

In addition to the above, clause 58.2(b) of the Constitution is also proposed to be amended to increase the maximum permitted number of Directors from eight (8) Directors to twelve (12) Directors. This will give the Company flexibility to expand the Board if required (noting that it currently has eight Directors).

The Directors consider that the proposed amendments to the Constitution are in the best interests of shareholders.

The Directors consider a hybrid meeting to be the optimum practice for the conduct of the Meeting, and intend to continue to hold annual general meetings as hybrid meetings in the future.

#### **Recommendation**

*The Directors recommend you vote in favour of the proposed amendments to the Constitution.*

*The Chair of the Meeting intends to vote all 'open' proxies in favour of resolution 6.*

#### **Item 5 - Grant of 2022 Performance Rights to Malcolm Deane (resolution 7)**

##### **Malcolm Deane's participation in 2022 LTI Plan**

Prior to his appointment as the Managing Director and CEO on 8 May 2023, Malcolm Deane was entitled to participate in the 2022 LTI Plan in his capacity as Chief Strategy Officer and to receive up to 110% of total fixed remuneration (**TFR**) (or 110% of USD\$295,949) in value of Performance Rights under the 2022 LTI Plan, with vesting dependent on achievement of the performance hurdles detailed below, measured over a three-year performance period. In this former role, Malcolm Deane became entitled to a grant of 15,493 Performance Rights in respect of 2022 LTI Plan (in addition to 18,604 Performance Rights which were granted under the 2022 LTI Plan prior to his appointment as Managing Director and CEO). Because he is now a Director, these Performance Rights cannot be granted without shareholder approval.

The Company is seeking shareholder approval for the grant of 15,493 Performance Rights (being USD\$147,975 in value) under the 2022 LTI Plan under and for the purposes of ASX Listing Rule 10.14.





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### Basis of 2022 LTI Plan grant

Malcolm Deane's remaining 2022 LTI Plan Performance Rights offer is 15,493 Performance Rights (USD\$147,975 in value, equivalent to AUD\$197,225) under the Company's 2022 LTI Plan, being that number of Performance Rights he became entitled to in respect of 2022 in his former role as global Chief Strategy Officer of the Company and which have not yet already been granted.

The number of Performance Rights proposed to be granted to Malcolm Deane has been determined based on the volume weighted average price (**VWAP**) of Shares calculated over the 10 trading days following the date of announcement of the final full year audited results on 25 May 2022, being AUD\$12.73. The USD currency amount was converted to AUD during the allocation process. The exchange rate used was the mid-market rate as at 31 March 2022, being USD\$0.75 / AUD\$1.00.

Malcolm Deane will receive the Performance Rights the subject of resolution 7 at no cost to him.

The Performance Rights will vest on 1 July 2025, dependent on the Company meeting or exceeding its performance hurdles during the specified three-year performance period of 1 April 2022 to 31 March 2025. The basis of the proposed grant of Performance Rights to Malcolm Deane is as follows:

Twenty five percent (25%) of the Performance Rights are subject to an underlying earnings per Share (**EPS**) measurement, twenty five percent (25%) of the Performance Rights are subject to an underlying earnings before interest, tax, depreciation and amortisation (**EBITDA**) margin measurement, twenty five percent (25%) of the Performance Rights are subject to a total shareholder return (**TSR**) measurement, and twenty five percent (25%) of the Performance Rights are subject to a return on capital employed (**ROCE**) measurement.

The performance hurdles and vesting proportions for each measure that will apply to the proposed grant of Performance Rights are as follows:

Compound annual diluted Underlying EPS growth	Proportion of Performance Rights that may be exercised if Underlying EPS growth hurdle is met
Less than 8% per annum	0%
Between 8% and 12% per annum	Straight line vesting between 12.5% and 25% of total grant
12% or higher per annum	25% of total grant

Underlying EBITDA margin of ALS relative to Underlying EBITDA margin of comparator peer companies	Proportion of Performance Rights that may be exercised if Underlying EBITDA hurdle is met
Less than the 50 <sup>th</sup> percentile	0%
Between the 50 <sup>th</sup> and 75 <sup>th</sup> percentile	Straight line vesting between 12.5% and 25% of total grant
75 <sup>th</sup> percentile or higher	25% of total grant

The Underlying EBITDA margin measurement is contingent upon performance of the Company against a group of comparator peer companies, which include Bureau Veritas (France), Eurofins (France), Intertek (UK), SGS (Switzerland), Applus (Spain), Mistras (USA), and Team Inc (USA).

TSR of ALS relative to TSR of companies in ASX 100 Index over the performance period	Proportion of Performance Rights that may be exercised if TSR hurdle is met
Less than the 50 <sup>th</sup> percentile	0%
Between 50 <sup>th</sup> percentile and 75 <sup>th</sup> percentile	Straight line vesting between 12.5% and 25% of total grant
75 <sup>th</sup> percentile or higher	25% of total grant

The TSR measurement is contingent upon performance of the Company against companies comprising the ASX 100 Index at the start of the performance period.

ROCE performance (3-year average)	Proportion of Performance Rights that may be exercised if ROCE hurdle is met
Below 14.2%	0%
Between 14.2% and 19.2%	Straight line vesting between 0% and 25% of total grant
At or above 19.2%	25% of total grant

The respective ROCE thresholds are set at 4% and 9% above the March 2022 Weighted Average Cost of Capital (**WACC**) of 10.2% (1).

ROCE is calculated as underlying earnings before interest and tax over the three-year performance period divided by Capital Employed, expressed as a percentage.

Capital Employed = total shareholders' equity + net debt (the sum of the simple averages of the balances at the beginning and end of each year during the performance period (2)).

(1) Based on March 2022 pre-tax nominal WACC (midpoint).

(2) If material funding transactions (e.g. significant additional borrowings, equity issuances or asset impairments) occur such that the simple average for any year during the performance period is not representative of capital actually employed, the average capital employed for the year may be adjusted for the effect of these transactions.

### Treatment of Performance Rights on cessation of employment

The 2022 LTI Plan rules provide that all unvested Performance Rights will lapse in the event of an employee's resignation or termination for cause. In all other circumstances and at the discretion of the Board, a number of Performance Rights, calculated in accordance with the proportion of the 2022 LTI Plan performance period worked, will remain on foot, and will vest at the end of the performance period, subject to satisfaction of the original performance conditions and any applicable holding lock. The remaining unvested Performance Rights will lapse on the employment cessation date. The 2022 LTI Plan rules further provide that the Board has an overriding discretion to adjust 2022 LTI Plan vesting outcomes.

### Change of control

Upon a change of control event, such as a company takeover, the Performance Rights vest as follows: if within the first six months of the performance period - zero of the Performance Rights vest; from six months onwards - 100% of the Performance Rights vest.

### No hedging

Participants are not allowed to enter into any hedging arrangements in relation to any unvested Performance Rights.

### ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that an ASX-listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- a director of the company;
- an associate (as that term is defined in the ASX Listing Rules) of a director of the company; or
- a person whose relationship with the company or a person referred to in ASX Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The proposed grant of 15,493 Performance Rights to Malcolm Deane under the 2022 LTI Plan falls within ASX Listing Rule 10.14.1 (as Malcolm Deane is a Director) and therefore requires the approval of the Company's shareholders under ASX Listing Rule 10.14.

Resolution 7 therefore seeks the required shareholder approval for the proposed grant of 15,493 Performance Rights to Malcolm Deane under and for the purposes of ASX Listing Rule 10.14.

If resolution 7 is passed, the Company will be able to proceed with the proposed grant of Performance Rights.

If resolution 7 is not passed, the Company will not be able to proceed with the proposed grant of Performance Rights and it is intended that all of Malcolm Deane's award will be provided in cash.

### Other required information (per ASX Listing Rule 10.15)

Malcolm Deane has previously been granted 18,604 Performance Rights under the 2022 LTI Plan before becoming the Managing Director and CEO (on 1 July 2022, using an issue price to determine the number of Performance Rights granted of AUD\$12.73), all of which remain unvested. Malcolm Deane has also previously been granted the following securities under previous long-term incentive plans of the Company before becoming the Managing Director and CEO. Such grants were made to Malcolm Deane at no cost to him.

Grant date	No. of Performance Rights granted	Issue price used to determine no. of Performance Rights granted	Performance Rights that vested
1 July 2021	15,702	AUD\$12.62	-
1 July 2020	15,546	AUD\$8.29	-
1 July 2019	13,648	AUD\$7.22	13,648
1 July 2018	10,372	AUD\$8.30	10,092 (balance lapsed)
1 July 2017	9,751	AUD\$7.18	7,274 (balance lapsed)
1 July 2016	5,828	AUD\$5.09	4,995 (balance lapsed)

Malcolm Deane's current total remuneration package for the year ending 31 March 2024 comprises the following:

- TFR of USD\$910,600 (inclusive of company retirement plan contributions);
- a short-term incentive cash component at target of up to 100% of TFR, being USD\$910,600;

- a long-term equity incentive component at target of up to 150% of TFR, being USD\$1,365,900; and
- an family education allowance package of USD\$140,000.

The Company has chosen to grant, subject to approval of resolution 7, the Performance Rights to Malcolm Deane for the following reasons:

- to focus on the long-term outcomes required by the Board;
- to align Malcolm Deane's reward with shareholder outcomes by payment in equity;
- to encourage teamwork through measurement of ALS group level performance hurdles;
- the 2022 LTI Plan forms a key element of the Company's incentive and retention strategy for key executives, including Malcolm Deane; and
- the proposed grant of Performance Rights to Malcolm Deane provides an incentive to satisfy performance hurdles over a three-year performance period which are measured across multiple factors important to shareholder value, and provide a counter balance for any tendency to focus on short-term outcomes.

By virtue of the above, the Board considers that Malcolm Deane's participation in the 2022 LTI Plan is a critical mechanism by which to incentivise performance in line with shareholder interests.

The fair value of the Performance Rights proposed to be granted to Malcolm Deane will be determined in accordance with Australian Accounting Standards and is dependent on the date on which Malcolm Deane is deemed to have received his offer to participate in the 2022 LTI Plan.

The fair value is calculated using Binomial Tree (EPS, EBITDA and ROCE hurdles) and Monte Carlo Simulation (TSR hurdle) valuation methodologies and typically includes the following inputs:

- Share price - the Share price of the Company on the grant date (noting that the grant of the Performance Rights for Malcolm Deane has not occurred and therefore is not yet known);
- volatility - the expected annual volatility of the Share price of the Company over the vesting period;
- risk-free rate - generally, the yield on Australian Government bonds with a term equal to the term of the Performance Rights being valued;
- time to maturity - the period of time from the grant date to the expected exercise of the Performance Rights; and

- dividend yield - the expected ratio of annual dividends to Share price over the term of the Performance Rights.

Malcolm Deane is the only Director eligible to be granted Performance Rights under the 2022 LTI Plan. No other person who requires shareholder approval to participate in the 2022 LTI Plan under ASX Listing Rule 10.14 has been or will be granted Performance Rights until such shareholder approval is obtained.

Malcolm Deane is also subject to a minimum shareholding requirement equivalent to 100% of his TFR. He is required to fulfil this shareholding requirement within a five year period.

No loans will be granted to Malcolm Deane in relation to his participation in the 2022 LTI Plan.

Performance Rights do not carry any dividend or voting rights prior to vesting.

Shares allocated on vesting of Performance Rights will rank equally with Shares in the same class.

A summary of the material terms of the 2022 LTI Plan is set out in the **Schedule** to this Notice of Meeting.

Details of any securities issued under the 2022 LTI Plan (including Performance Rights and Shares issued upon their vesting) will be published in the relevant annual report of the Company relating to the period in which they have been issued, together with a statement that shareholder approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the 2022 LTI Plan after resolution 7 is approved and who are not named in this Notice of Meeting will not participate until shareholder approval is obtained under ASX Listing Rule 10.14.

Subject to approval of resolution 7, the Performance Rights the subject of resolution 7 will be granted to Malcolm Deane as soon as practicable after the date of the Meeting (and in any event no later than three years after the date of the Meeting).

### **Recommendation**

*The Directors (other than Malcolm Deane who the proposed grant of Performance Rights under resolution 7 relates to) recommend you vote in favour of the proposed grant of Performance Rights to Malcolm Deane.*

*The Chair of the Meeting intends to vote all 'open' proxies in favour of resolution 7 (where the Chair of the Meeting has been appropriately authorised to do so).*



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**Item 6 - Grant of 2023 Performance Rights to Malcolm Deane (resolution 8)**

**Malcolm Deane's participation in 2023 LTI Plan**

As the Managing Director and CEO, Malcolm Deane is entitled to participate in the 2023 LTI Plan and to receive up to 150% of TFR (or 150% of USD\$910,600) in value of Performance Rights under the 2023 LTI Plan, with vesting dependent on achievement of the performance hurdles detailed below, measured over a three-year performance period.

The Company is seeking shareholder approval for the grant of 176,270 Performance Rights (being USD\$1,365,900 in value) in respect of 2023 under the 2023 LTI Plan under and for the purposes of ASX Listing Rule 10.14.

**Basis of 2023 LTI Plan grant**

Malcolm Deane's 2023 LTI Plan Performance Rights offer is 176,270 Performance Rights (USD\$1,365,900 in value, equivalent to AUD\$2,039,091) under the Company's 2023 LTI Plan, being the maximum potential allocation under the 2023 LTI Plan in relation to his total remuneration package for 2023-24.

The number of Performance Rights proposed to be granted to Malcolm Deane has been determined based on the VWAP of Shares calculated over the 10 trading days following the date of announcement of the final full year audited results on 29 May 2023, being AUD\$11.568. The USD currency amount was converted to AUD during the allocation process. The exchange rate used was the mid-market rate as at 31 March 2023, being USD\$0.66986 / AUD\$1.00.

Malcolm Deane will receive the Performance Rights the subject of resolution 8 at no cost to him.

The Performance Rights will vest on 1 July 2026, dependent on the Company meeting or exceeding its performance hurdles during the specified three-year performance period of 1 April 2023 to 31 March 2026. The basis of the proposed grant of Performance Rights to Malcolm Deane is as follows:

Twenty five percent (25%) of the Performance Rights are subject to an underlying EPS measurement, twenty five percent (25%) of the Performance Rights are subject to an underlying EBITDA margin measurement, twenty five percent (25%) of the Performance Rights are subject to a TSR measurement, and twenty five percent (25%) of the Performance Rights are subject to a ROCE measurement.

The performance hurdles and vesting proportions for each measure that will apply to the proposed grant of Performance Rights are as follows:

<b>Compound annual diluted Underlying EPS growth</b>	<b>Proportion of Performance Rights that may be exercised if Underlying EPS growth hurdle is met</b>
Less than 8% per annum	0%
Between 8% and 12% per annum	Straight line vesting between 12.5% and 25% of total grant
12% or higher per annum	25% of total grant

<b>Underlying EBITDA margin of ALS relative to Underlying EBITDA margin of comparator peer companies</b>	<b>Proportion of Performance Rights that may be exercised if Underlying EBITDA hurdle is met</b>
Less than the 50 <sup>th</sup> percentile	0%
Between the 50 <sup>th</sup> and 75 <sup>th</sup> percentile	Straight line vesting between 12.5% and 25% of total grant
75 <sup>th</sup> percentile or higher	25% of total grant

The Underlying EBITDA margin measurement is contingent upon performance of the Company against a group of comparator peer companies, which include Bureau Veritas (France), Eurofins (France), Intertek (UK), Marlowe plc (UK), SGS (Switzerland), Applus (Spain), and Montrose Environmental Group, Inc. (USA).

<b>TSR of ALS relative to TSR of companies in ASX 100 Index over the performance period</b>	<b>Proportion of Performance Rights that may be exercised if TSR hurdle is met</b>
Less than the 50 <sup>th</sup> percentile	0%
Between 50 <sup>th</sup> percentile and 75 <sup>th</sup> percentile	Straight line vesting between 12.5% and 25% of total grant
75 <sup>th</sup> percentile or higher	25% of total grant

The TSR measurement is contingent upon performance of the Company against companies comprising the ASX 100 Index at the start of the performance period.

ROCE performance (3-year average)	Proportion of Performance Rights that may be exercised if ROCE hurdle is met
Below 15.5%	0%
Between 15.5% and 20.5%	Straight line vesting between 0% and 25% of total grant
At or above 20.5%	25% of total grant

The respective ROCE thresholds are set at 4% and 9% above the March 2023 Weighted Average Cost of Capital (**WACC**) of 11.5%<sup>(1)</sup>.

ROCE is calculated as underlying earnings before interest and tax over the three-year performance period divided by Capital Employed, expressed as a percentage.

Capital Employed = total shareholders' equity + net debt (the sum of the simple averages of the balances at the beginning and end of each year during the performance period<sup>(2)</sup>).

(1) Based on March 2023 pre-tax nominal WACC (midpoint).

(2) If material funding transactions (e.g. significant additional borrowings, equity issuances or asset impairments) occur such that the simple average for any year during the performance period is not representative of capital actually employed, the average capital employed for the year may be adjusted for the effect of these transactions.

### Treatment of Performance Rights on cessation of employment

The 2023 LTI Plan rules provide that all unvested Performance Rights will lapse in the event of an employee's resignation or termination for cause. In all other circumstances and at the discretion of the Board, a number of Performance Rights, calculated in accordance with the proportion of the 2023 LTI Plan performance period worked, will remain on foot, and will vest at the end of the performance period, subject to satisfaction of the original performance conditions and any applicable holding lock. The remaining unvested Performance Rights will lapse on the employment cessation date. The 2023 LTI Plan rules further provide that the Board has an overriding discretion to adjust 2023 LTI Plan vesting outcomes.

### Change of control

Upon a change of control event, such as a company takeover, the Performance Rights vest as follows: if within the first three months of the performance period - zero of the Performance Rights vest; from six months onwards - 100% of the Performance Rights vest.

### No hedging

Participants are not allowed to enter into any hedging arrangements in relation to any unvested Performance Rights.

### ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that an ASX-listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- a director of the company;
- an associate (as that term is defined in the ASX Listing Rules) of a director of the company; or
- a person whose relationship with the company or a person referred to in ASX Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The proposed grant of 176,270 Performance Rights to Malcolm Deane under the 2023 LTI Plan falls within ASX Listing Rule 10.14.1 (as Malcolm Deane is a Director) and therefore requires the approval of the Company's shareholders under ASX Listing Rule 10.14.

Resolution 8 therefore seeks the required shareholder approval for the proposed grant of 176,270 Performance Rights to Malcolm Deane under and for the purposes of ASX Listing Rule 10.14.

If resolution 8 is passed, the Company will be able to proceed with the proposed grant of Performance Rights.

If resolution 8 is not passed, the Company will not be able to proceed with the proposed grant of Performance Rights and it is intended that all of Malcolm Deane's award will be provided in cash.

### Other required information (per ASX Listing Rule 10.15)

Malcolm Deane has not previously been granted any securities under the 2023 LTI Plan, however Malcolm Deane has previously been granted securities under previous long-term incentive plans of the Company before becoming the Managing Director and CEO. The Explanatory Notes for resolution 7 (above) provide details regarding such previous grants of securities to Malcolm Deane, and regarding Malcolm Deane's current total remuneration package.

The Company has chosen to grant, subject to approval of resolution 8, the Performance Rights to Malcolm Deane for the following reasons:

- to focus on the long-term outcomes required by the Board;
- to align Malcolm Deane's reward with shareholder outcomes by payment in equity;



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- to encourage teamwork through measurement of ALS group level performance hurdles;
- the 2023 LTI Plan forms a key element of the Company's incentive and retention strategy for key executives, including Malcolm Deane; and
- the proposed grant of Performance Rights to Malcolm Deane provides an incentive to satisfy performance hurdles over a three-year performance period which are measured across multiple factors important to shareholder value, and provide a counter balance for any tendency to focus on short-term outcomes.

By virtue of the above, the Board considers that Malcolm Deane's participation in the 2023 LTI Plan is a critical mechanism by which to incentivise performance in line with shareholder interests.

The fair value of the Performance Rights proposed to be granted to Malcolm Deane will be determined in accordance with Australian Accounting Standards and is dependent on the date on which Malcolm Deane is deemed to have received his offer to participate in the 2023 LTI Plan.

The fair value is calculated using Binomial Tree (EPS, EBITDA and ROCE hurdles) and Monte Carlo Simulation (TSR hurdle) valuation methodologies and typically includes the following inputs:

- Share price - the Share price of the Company on the grant date (noting that the grant of the Performance Rights for Malcolm Deane has not occurred and therefore is not yet known);
- volatility - the expected annual volatility of the Share price of the Company over the vesting period;
- risk-free rate - generally, the yield on Australian Government bonds with a term equal to the term of the Performance Rights being valued;
- time to maturity - the period of time from the grant date to the expected exercise of the Performance Rights; and
- dividend yield - the expected ratio of annual dividends to Share price over the term of the Performance Rights.

Malcolm Deane is the only Director eligible to be granted Performance Rights under the 2023 LTI Plan. No other person who requires shareholder approval to participate in the 2023 LTI Plan under ASX Listing Rule 10.14 has been or will be granted Performance Rights until such shareholder approval is obtained.

Malcolm Deane is also subject to a minimum shareholding requirement equivalent to 100% of his TFR. He is required to fulfil this shareholding requirement within a five-year period.

No loans will be granted to Malcolm Deane in relation to his participation in the 2023 LTI Plan.

Performance Rights do not carry any dividend or voting rights prior to vesting.

Shares allocated on vesting of Performance Rights will rank equally with Shares in the same class.

A summary of the material terms of the 2023 LTI Plan is set out in the **Schedule** to this Notice of Meeting.

Details of any securities issued under the 2023 LTI Plan (including Performance Rights and Shares issued upon their vesting) will be published in the relevant annual report of the Company relating to the period in which they have been issued, together with a statement that shareholder approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the 2023 LTI Plan after resolution 8 is approved and who are not named in this Notice of Meeting will not participate until shareholder approval is obtained under ASX Listing Rule 10.14.

Subject to approval of resolution 8, the Performance Rights the subject of resolution 8 will be granted to Malcolm Deane as soon as practicable after the date of the Meeting (and in any event no later than three years after the date of the Meeting).

### **Recommendation**

*The Directors (other than Malcolm Deane who the proposed grant of Performance Rights under resolution 8 relates to) recommend you vote in favour of the proposed grant of Performance Rights to Malcolm Deane.*

*The Chair of the Meeting intends to vote all 'open' proxies in favour of resolution 8 (where the Chair of the Meeting has been appropriately authorised to do so).*

### **Item 7 - Approval of financial assistance (resolution 9)**

Resolution 9 relates to the Company's 2022 acquisition of HRL Holdings by way of takeover bid, as announced by the Company to ASX on 30 June 2022.

### **Background**

The Company and the majority of its subsidiaries are parties to a number of bilateral loan agreements with external lenders, under which certain debt facilities are provided to the Company and some of its subsidiaries. These loan agreements are subject to a common terms agreement dated 12 May 2021 (**Common Terms Agreement**) (with the Common Terms Agreement together with the loan agreements referred to as

the **Finance Documents**). Funds drawn under the Finance Documents were used in part to fund the acquisition of HRL Holdings.

The Company has the ability to add any of its subsidiaries as a borrower or a guarantor of those debt facilities (subject to satisfaction of certain conditions) and would like the flexibility to add HRL Holdings and its Australian subsidiaries as parties to the Finance Documents in either of those capacities. By acceding HRL Holdings and its Australian subsidiaries to the Finance Documents, this will provide the Company with greater flexibility to structure its lending arrangements and assist the Company with managing compliance with its undertakings to the lenders (which includes a requirement to have a minimum number of subsidiaries as guarantors, by reference to assets and earnings of the ALS group).

If the Company does decide to accede HRL Holdings and its Australian subsidiaries to the Finance Documents, this will result in HRL Holdings and its Australian subsidiaries becoming guarantors of all debt incurred under the Finance Documents (**Additional Guarantors**), which could include the debt used to fund the acquisition of the shares in HRL Holdings.

#### **The financial assistance rules**

Under section 260A(1) of the Corporations Act, a company may only provide financial assistance to a person to acquire shares in the company or a holding company of that company in certain circumstances (one of which is where shareholder approval is obtained under section 260B of the Corporations Act, including approval by shareholders of the listed domestic corporation of the company under section 260B of the Corporations Act). HRL Holdings and its Australian subsidiaries becoming Additional Guarantors will be financial assistance for these purposes (as it would be giving a guarantee of the debt used to fund the acquisition of the shares in HRL Holdings).

Accordingly, the directors of HRL Holdings, the directors of each of its Australian subsidiaries, and the Directors believe it is prudent to obtain the approval of the shareholders of HRL Holdings, the shareholders of each of its Australian subsidiaries, and the shareholders of the Company under section 260B of the Corporations Act.

Resolution 9 seeks the approval of shareholders of the Company, pursuant to section 260B(2) of the Corporations Act, for financial assistance to be provided by HRL Holdings and its Australian subsidiaries (i.e. HRL Holdings and its Australian subsidiaries becoming guarantors of all debt incurred under the Finance Documents, which could include the debt used to fund the acquisition of the shares in HRL Holdings).

#### **Reason for financial assistance**

The reason for the giving of the financial assistance described above is to provide the Company with greater flexibility to structure its lending arrangements and to assist the Company with managing compliance with its undertakings to the lenders (which includes a requirement to have a minimum number of subsidiaries as guarantors, by reference to assets and earnings of the ALS group).

If shareholder approval is not obtained, the Company will not be able to accede HRL Holdings and its Australian subsidiaries as borrowers or guarantors to the Finance Documents.

#### **The proposed financial assistance**

By becoming Additional Guarantors, HRL Holdings and each of its Australian subsidiaries will:

- (a) unconditionally and irrevocably guarantee the repayment of any amounts owing under the Finance Documents; and
- (b) give the indemnities, undertakings, representations and warranties which the other guarantors have provided and continue to provide to the lenders.

#### **Effects of the financial assistance**

The Company and the majority of its subsidiaries are already guarantors under the Common Terms Agreement and accordingly are already guaranteeing amounts due under the Finance Documents. Therefore, the giving of the guarantee and indemnity by HRL Holdings and its Australian subsidiaries is unlikely to have any adverse effect on the Company in any material respect.

The impact of the financial assistance on the balance sheets, future profits and future cash flows of HRL Holdings and its Australian subsidiaries and their ability to repay their creditors all relate to the guarantee and indemnity to be provided by HRL Holdings and its Australian subsidiaries under the Common Terms Agreement. If the Company or any relevant subsidiary of it defaults under the Finance Documents, a lender may decide to make a demand under the guarantee and indemnity, whereby HRL Holdings and its Australian subsidiaries will be liable for the outstanding amounts under the Finance Documents.

The Directors do not currently have any reason to believe that the Company (or any relevant subsidiary) is likely to default in its obligations under the Finance Documents.

The advantages for the Company and the ALS group (including HRL Holdings and its Australian subsidiaries) include providing the Company with greater flexibility to structure its lending arrangements and to assist the Company with managing compliance with its undertakings to the lenders (which includes a requirement to have a

minimum number of subsidiaries as guarantors, by reference to assets and earnings of the ALS group).

The Directors believe the proposed financial assistance is in the interests of the Company and HRL Holdings and its Australian subsidiaries for the reasons set out above.

### Approval of financial assistance

Resolution 9 is a special resolution and will be passed if at least 75% of the votes cast by shareholders entitled to vote on resolution 9 are in favour of resolution 9.

### Notice to ASIC

A copy of this Notice of Meeting (including the Explanatory Notes) was lodged with ASIC before being sent to the shareholders, in accordance with section 260B(5) of the Corporations Act.

### Disclosure of information

The Directors consider that these Explanatory Notes contain all information known to the Company that is material to the decision on how to vote on resolution 9, other than information that it would be unreasonable to require the Company to disclose because the Company has previously disclosed the information to shareholders.

### Recommendation

*The Directors recommend you vote in favour of resolution 9.*

*The Chair of the Meeting intends to vote all 'open' proxies in favour of resolution 9.*

### Item 8 - Financial statements and reports

Section 317 of the Corporations Act requires the Company to lay its financial report, the Directors' report and the Auditor's report for the last financial year before the Meeting.

There is no requirement for the financial statements and reports (excluding the Remuneration Report) to be formally approved by shareholders.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions on the financial statements and reports and on the business, operations and management of the Company. The Company's Auditor, EY, will be in attendance to respond to questions in relation to the conduct of the audit and the content of the Auditor's report.

### ENTITLEMENT TO VOTE

For the purposes of the Meeting, the Board has determined, in accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), that a shareholder's voting entitlement will be taken to be the entitlement of that person as shown in the Company's register of members as at **7.00pm (AEST) on Monday, 24 July 2023**. Accordingly,

those persons are entitled to attend and vote at the Meeting.

### VOTING RESTRICTIONS

The Corporations Act and the ASX Listing Rules impose voting restrictions. These voting restrictions are described below:

#### Item 3 - Remuneration Report (resolution 5)

For the purposes of the Corporations Act, a vote must not be cast, and the Company will disregard votes cast, on resolution 5 (in any capacity) by or on behalf of a member of the key management personnel (as that term is defined in the Corporations Act) (**KMP**) details of whose remuneration are included in the Remuneration Report, or a closely related party (as that term is defined in the Corporations Act) (**CRP**) of such a member.

However, members of the KMP details of whose remuneration are included in the Remuneration Report and their CRPs may cast a vote on resolution 5 as proxy if the vote is not cast on their behalf and either:

- the proxy appointment is in writing and specifies the way the proxy is to vote on resolution 5; or
- the vote is cast by the Chair of the Meeting and the appointment of the Chair of the Meeting as proxy:
  - does not specify the way the proxy is to vote on resolution 5; and
  - expressly authorises the Chair of the Meeting to exercise the proxy even if resolution 5 is connected directly or indirectly with the remuneration of a member of the KMP.

If you are a member of the KMP details of whose remuneration are included in the Remuneration Report, or a CRP of such a member (or acting on behalf of such a person), and purport to cast a vote on resolution 5 that will be disregarded by the Company, you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

#### Item 5 - Grant of 2022 Performance Rights to Malcolm Deane (resolution 7)

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of resolution 7 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the 2022 LTI Plan or any associate (as that term is defined in the ASX Listing Rules) of any such person.



However, this does not apply to a vote cast in favour of resolution 7 by:

- a person as proxy or attorney for a person who is entitled to vote on resolution 7, in accordance with directions given to the proxy or attorney to vote on resolution 7 in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on resolution 7, in accordance with a direction given to the Chair of the Meeting to vote on resolution 7 as the Chair of the Meeting decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate (as that term is defined in the ASX Listing Rules) of a person excluded from voting, on resolution 7; and
  - the holder votes on resolution 7 in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, a vote must not be cast, and the Company will disregard any votes cast, on resolution 7 as proxy by the KMP or their CRPs if the proxy appointment does not specify the way the proxy is to vote on resolution 7, unless it is cast by the Chair of the Meeting as proxy for a person entitled to vote on resolution 7 and the proxy appointment expressly authorises the Chair of the Meeting to exercise the proxy even if resolution 7 is connected directly or indirectly with the remuneration of a member of the KMP.

#### **Item 6 - Grant of 2023 Performance Rights to Malcolm Deane (resolution 8)**

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of resolution 8 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the 2023 LTI Plan or any associate (as that term is defined in the ASX Listing Rules) of any such person.

However, this does not apply to a vote cast in favour of resolution 8 by:

- a person as proxy or attorney for a person who is entitled to vote on resolution 8, in accordance with directions given to the proxy or attorney to vote on resolution 8 in that way; or

- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on resolution 8, in accordance with a direction given to the Chair of the Meeting to vote on resolution 8 as the Chair of the Meeting decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate (as that term is defined in the ASX Listing Rules) of a person excluded from voting, on resolution 8; and
  - the holder votes on resolution 8 in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, a vote must not be cast, and the Company will disregard any votes cast, on resolution 8 as proxy by the KMP or their CRPs if the proxy appointment does not specify the way the proxy is to vote on resolution 8, unless it is cast by the Chair of the Meeting as proxy for a person entitled to vote on resolution 8 and the proxy appointment expressly authorises the Chair of the Meeting to exercise the proxy even if resolution 8 is connected directly or indirectly with the remuneration of a member of the KMP.

#### **PROXIES**

1. A shareholder entitled to vote at the Meeting is entitled to appoint not more than two proxies to attend and vote at the Meeting on their behalf.
2. Where more than one proxy is appointed each proxy must be appointed to represent a specified proportion of the shareholder's voting rights.
3. A proxy need not be a shareholder of the Company.
4. It is not necessary to fill in the name of the person to be appointed proxy unless it is desired to appoint a person other than the Chair of the Meeting.
5. If a shareholder appoints one proxy only, that proxy is entitled to vote on a show of hands or on the taking of a poll.
6. Where a proxy and the shareholder both attend the Meeting, the shareholder is not entitled to speak or vote, unless notice in writing of the revocation of the proxy's authority was received by the Chair of the Meeting or at the place for deposit of proxies before the proxy exercises the right to speak or vote.



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## DIRECT VOTING

1. Direct voting enables shareholders to vote on resolutions considered at the Meeting by lodging their votes directly with the Company prior to the Meeting.
2. Direct voting enables shareholders to exercise their voting rights without needing to attend the Meeting or appoint a proxy.
3. A direct vote cast by a shareholder will be counted on a poll.
4. A shareholder who has cast a direct vote may attend the Meeting and vote, but their vote will cancel the direct vote, unless the shareholder instructs the Company or the Company's share registry otherwise.

## LODGEMENT OF PROXY FORM

The **Proxy Form** (and a certified copy of the power of attorney or other authority (if any) under which it is signed) must be received by the Company's share registry **no later than 10.00am (AEST) on Monday, 24 July 2023 (being at least 48 hours before the Meeting)** at the address below or submitted electronically:

Boardroom Pty Limited  
GPO Box 3993, Sydney, NSW, 2001

Level 8, 210 George Street, Sydney, NSW,  
2000

Fax: +61 2 9290 9655

Lodge electronically by going online at:  
[proxy@boardroomlimited.com.au](mailto:proxy@boardroomlimited.com.au)

If you require an additional Proxy Form, contact the Company's share registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia), who will supply it on request.

Shareholders are encouraged to submit their Proxy Forms online. If you wish to post a Proxy Form, please be aware of current postal timeframes, including the possibility of delays and reduced frequency of deliveries.

## PARTICIPATING AND VOTING ONLINE DURING THE MEETING

The Meeting will be held as a hybrid meeting, comprising an in-person meeting with a virtual meeting option via the Lumi AGM software platform for shareholders who would prefer to participate online.

Participating in the Meeting online enables shareholders to view the Meeting live, ask text-based and verbal questions and cast votes in the real time poll at the appropriate times during the Meeting.

Please note that only shareholders or their appointed proxies, attorneys and corporate representatives may ask questions in person or online once they have been verified.

Please refer to the Online Voting User Guide on the Company's website at [www.alsglobal.com/en/investor-relations](http://www.alsglobal.com/en/investor-relations). The Online Voting User Guide will also be provided in your Notice of Meeting email.

Shareholders are also strongly encouraged to lodge their Proxy Forms before the deadline listed above even if they are participating in the Meeting online. If you do not intend, or are unable to participate in, the Meeting, please lodge your Proxy Forms before the deadline listed above.

## CORPORATE REPRESENTATIVES

Companies are reminded that to enable a representative to vote on their behalf at the Meeting they must appoint a representative under section 250D of the Corporations Act. Alternatively, a valid Proxy Form must be lodged at the above address or submitted electronically.

## POLL

Voting on all items will be determined by a poll at the Meeting. Shareholders not attending the Meeting may use the enclosed Proxy Form or vote online before the deadline listed above.

## SHAREHOLDER QUESTIONS

Shareholders are able to submit written questions in advance of the Meeting. You may submit a written question by contacting [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au). Your questions must be received by the Company **no later than Wednesday, 19 July 2023** (being five business days before the Meeting date). Questions should relate to matters that are relevant to the business of the Meeting as outlined in the Notice of Meeting.

## WEBCAST

A copy of the webcast of the Meeting will be made available on the Company's website at [www.alsglobal.com](http://www.alsglobal.com).

## RESULTS OF THE MEETING

Voting results will be announced to ASX as soon as practicable after the Meeting and will also be made available on the Company's website at [www.alsglobal.com](http://www.alsglobal.com).

### Schedule

#### Summary of 2022 LTI Plan and 2023 LTI Plan

Under the 2022 LTI Plan and the 2023 LTI Plan, the Board, at its discretion, may offer employees, including executive directors, Performance Rights or in jurisdictions where the securities or other legislation makes the issue of Shares difficult, cash

payments to an equivalent value (**Phantom Rights**).

The Performance Rights will be granted, and Shares allocated (or in the case of Phantom Rights, cash payments made) at no cost to the employees, if the Performance Rights vest. The 2022 LTI Plan and the 2023 LTI Plan are designed as a three-year rolling plans with participation being determined on an annual basis to ensure the plans are targeted at the appropriate employees.

The 2022 LTI Plan and the 2023 LTI Plan are aligned to shareholder interests as Performance Rights only vest if certain EPS, EBITDA margin, TSR and ROCE targets are achieved.

### **Participation**

The maximum eligibility for the 2022 LTI Plan is set out on page 33 of the remuneration report contained in the Company's 2022 annual report in respect of the financial year ended 31 March 2022, and the maximum eligibility for the 2023 LTI Plan is set out on page 42 of the Remuneration Report. The price used to determine an individual's allocation of Performance Rights will be the weighted average price of Shares during the 10 trading days following the date of announcement of the final full year results (i.e. end of May) for the financial year preceding the period to which the grant of Performance Rights relate (although an alternative calculation measure may be undertaken if unusual circumstances arise to deem this calculation inappropriate).

Subject to any applicable 'good leaver' provisions in the 2022 LTI Plan rules and the 2023 LTI Plan rules, the employee must be employed in the ALS group on the vesting date to be eligible for allocation of the Shares (subject to EPS, EBITDA margin, TSR and ROCE performance criteria being met).

Employees will not be allowed to enter into any hedging arrangements in relation to any unvested Performance Rights.

Executive KMPs are subject to a mandatory minimum shareholding requirement which they have five years to accumulate and are required to maintain during active employment.